

Community Development Financial Institutions (CDFI) Fund
Community Investment Impact System (CIIS)
Frequently Asked Questions
1/10/2005

1. What is CIIS?

The Community Investment Impact System (CIIS) is the Fund's web-based data collection system. CIIS collects two types of reports from CDFIs and CDEs: (1) Institution Level Report (ILR), sometimes referred to as the Annual Survey, and (2) Transaction Level Report (TLR). CDFIs and CDEs can access CIIS through their myCDFIFund Organization Account.

2. Which CDFIs and CDEs are required to submit data through CIIS?

CDFIs

2002 and Earlier Funding Round Awardees: CDFI Awardees with Assistance Agreements that require submission of an Annual Financial Report must submit an Institution Level Report (ILR) for each reporting period defined in the Assistance Agreement. Some Assistance Agreements refer to the ILR as the Annual Report, Impact Report, or Accomplishments Report. Although 2002 and earlier funding round Awardees are NOT required to submit a Transaction Level Report (TLR), the Fund welcomes such submissions.

2003 and Future Funding Round Awardees: CDFIs that received a 2003 Financial Assistance Award through either the Financial Assistance (FA) component or the Native American CDFI Assistance (NACA) program, or that receive future Financial Assistance Awards will be required to submit an ILR and a TLR annually in accordance with their Assistance Agreements. CDFIs that received a 2003 Technical Assistance (TA) or Native American Technical Assistance (NATA) Award or that receive future Technical Assistance Awards through the TA component or the NACA program will be required to submit an ILR annually in accordance with their Assistance Agreements.

Other CDFIs: CDFIs that are certified by the Fund, but have not received an award, are NOT required to submit an ILR or a TLR. However, they may submit these reports voluntarily.

CDEs

CDE Allocatees that issued one or more Qualified Equity Investments (QEIs) by the last day of their reporting period are required to submit an ILR. Allocatees that made loans and/or investments in CDEs, QALICBs, or advance commitment loan purchases by the last day of their reporting period are required to submit a TLR. Allocatees that purchased loans other than advance commitment purchases from a CDE and/or provided Financial Counseling or Other Services (FCOS) will report this information via the ILR.

Other CDEs that have received allocations but have not yet issued QEIs nor made any Qualified Low-Income Community Investments (QLICIs) or CDEs that have not received an allocation, are not required to report and cannot access CIIS.

3. When are reports due?

CDFIs

2002 and Earlier Funding Round Awardees do not have the report due dates specified in their Assistance Agreements. The Organization will be notified of the report due date 60 days prior to the due date. The due date will usually be 180 days after the Organization's fiscal year end.

2003 and Future Funding Round Awardees are required by their Assistance Agreements to submit their reports within 180 days of the Awardee's fiscal year end date.

CDEs

All Allocatees that have reports due must report within 180 days of the reporting period end. The reporting period is usually the Allocatee's fiscal year end date. See the Fund's May 2004 New Markets Tax Credit Allocation Agreement Q&A Document for further guidance.

4. For purposes of the CIIS submission what is the Fund's definition of fiscal year 2004?

Any fiscal year that ends in calendar year 2004 is considered fiscal year 2004. For example, a fiscal year that runs from April 1, 2003 through March 31st, 2004 is fiscal year 2004.

5. Which loans/investments do CDFIs/CDEs have to report in the Transaction Level Report each year?

CDFIs

CDFIs that submit a Transaction Level Report (TLR) are required to submit their entire loan/investment portfolio as of their reporting period end date, including any loans/investments that were active during the reporting period. The transmission should include loans/investments that were funded by the Fund as well as those that were funded by other sources.

CDEs

CDEs that submit a TLR must include all loans, investments and advance commitment loan purchases made by the Allocatee and Sub-Allocatees, and funded by Qualified Equity Investments (QEIs), that were outstanding at any time during the reporting period. For Allocatees and Sub-Allocatees engaging in investments in CDEs, if the end QLICI made by the final CDE is a QALICB, the Allocatee (or Sub-Allocatee, if applicable) must report the transaction level details of that QALICB. Thus, the primary CDE must trace the investments through each CDE and report the details of the end QALICB.

6. What happens if a CDFI/CDE does not collect all of the information requested in the reports?

Institution Level Report (ILR)

The Fund requires CDFIs and CDEs to respond to every question in the ILR. The ILR provides a "Don't Know" and/or a "Not Applicable" option for many questions.

Transaction Level Report (TLR)

The TLR Instructions identify "Mandatory" and "Required if" data points that are requisite for Awardees and Allocatees to meet their compliance requirements. Although the Fund encourages organizations to respond to most, if not all, of the data points, submissions will be accepted as long as the "Mandatory" and "Required if" fields are complete. Over time, the Fund expects CDFIs and CDEs to improve their data collection efforts through upgrades and revised intake forms so that they can provide all applicable data.

For both the ILR and the TLR, Organizations should check the instructions as well as their Assistance/Allocation Agreement to determine whether the responses will be used for compliance purposes. Organizations that do not provide compliance-related data may be deemed "Non-compliant" with their reporting requirement even if the reports were accepted by CIIS. The Fund may impose sanctions on Awardees/Allocatees who fail to comply with their reporting requirements. Sanctions, which are outlined in the Assistance/Allocation Agreements, include but are not limited to a return of funds, deobligation of undisbursed funds, and/or termination or reallocation of any unused allocations.

7. How will the Fund protect the privacy of CDFI/CDE borrowers and investees?

In an effort to ensure that CIIS provides the protections that are required by law, the Fund will not collect any CDFI/CDE borrower/investee names, social security numbers, or taxpayer identification numbers. The Transaction Level Report (TLR) requests borrower street address from CDEs for compliance purposes. CDFIs have the option of providing a FIPS code instead of borrower street address. Borrower or investee location is a critical data point for the Fund because it enables us to identify which CDFI/CDE loans and investments were made in economically distressed areas. The Fund will not release borrower/investee street address data to the public.

8. Should a CDFI or CDE inform its customers that it may share customer information with the CDFI Fund?

CDFIs and CDEs should inform borrowers and investees that if the CDFIs and CDEs are recipients of CDFI Fund funding and/or an allocation, some of their personal and financial information may be shared with the Fund for program regulation purposes.

9. What does a CDFI or CDE need to know about the Fair Credit Reporting Act?

A CDFI or CDE's provision of borrower credit scores to the Fund is governed in part by the Fair Credit Reporting Act (15 USC 1681, et seq.), which, in relevant part, requires borrowers' written consent for such credit information distribution. You should review the FCRA and any related regulations and other guidance, promulgated by the Federal Trade Commission (FTC) to ensure compliance.

10. What does a CDFI or CDE need to know about the Equal Credit Opportunity Act (ECOA) and Regulation B?

The organization's provision of data to the Fund may be governed in part by the Equal Credit Opportunity Act (ECOA), which, in relevant part, relates to the collection of race and ethnicity data. Organizations should review the ECOA, Regulation B, and any related regulations and other guidance, promulgated by the Federal Reserve Board to ensure compliance. Non-regulated financial institutions should also consult with the Federal Trade Commission regarding ECOA compliance.

11. Is software available to assist CDFIs and CDEs with the electronic submission of the Transaction Level Report (TLR)?

CDFIs and CDEs may use any software to track and submit the TLR. Existing systems may need to be upgraded to create fields for all of the data points and/or to create an XML program that generates a TLR submission that can be easily uploaded to CIIS.

The Fund provides loan monitoring software developers the technical information they need to upgrade their off-the-shelf or custom systems to enable CDFIs and CDEs to track and electronically submit all TLR data. See Vendor Testing Opportunities on the CIIS link on the Fund's home page (<http://www.cdfifund.gov/ciis>) for the names of vendors that are currently testing or have successfully completed testing software.

12. How can CDFIs and CDEs prepare to meet the Fund's data collection requirements?

Awardees and Allocatees can review the documents on the CIIS link on the Fund's home page (www.cdfifund.gov/ciis), including blank reports, instructions, glossary, and information about submitting Transaction Level Reports.

13. What kind of technical support is available if I need assistance with CIIS?

The Fund has contracted EF Kearney to manage CIIS and the CIIS Help Desk. Questions related to CIIS should be directed to (703) 373-1516 or ciishelp@kearneyco.com.

14. Who do I contact if I have a compliance related question?

You may contact the Fund's Compliance Monitoring, and Evaluation (CME) Unit at (202) 622-8226 or cme@cdfi.treas.gov if you have any compliance related questions or questions regarding reporting requirements. Also, see CME's FAQ or Q&A on the Awardee's page at www.cdfifund.gov

15. Who do I contact if I am an Allocatee and I have questions on the IRS Compliance Questions in the CDE Survey?

The IRS has designated a new contact person: Phil S. Ponticello at (352) 291-2817 or phil.s.ponticello@irs.gov.

16. Where should I send my financial statements?

You can attach your Organization's financial statements to your CIIS transmission, fax to (202) 622-3569, or mail to

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601 13th St., NW, Suite 200 South
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